

# Agro Tech Foods Limited

## DISCLOSURE PURSUANT TO REGULATION 14 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014 AS ON MARCH 31, 2021

### A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments':

The disclosure is provided in Notes 16 to the financial statements of the Company for the year ended March 31, 2021.

### B. Diluted Earnings per Share:

INR 12.77

### C. Details related to Employee Stock Option Schemes (ESOS) of the Company:

Sr. No.	Particulars	For the year ended March 2014	For the year ended March 2015	For the year ended March 2016	Total
		Grant (26-Jul-2013)	Grant (17-Jul-2014)	Grant (24-Jul-2015)	
	Options Granted	9,38,011	2,00,475	1,80,498	13,18,984
<b>A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including</b>					
a.	Date of shareholder's approval	The Company, vide special resolution in the Annual General Meeting of the Company held on 25th July 2012 had approved "Agro Tech Employee Stock Option Plan" ("Plan"). The Plan was further modified vide special resolution in the Annual General Meeting held on 24th July 2015 to align it with the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 ("SEBI Regulations") and other applicable provisions for the time being in force.			



**Corp. Office:** 15<sup>th</sup> Floor, Tower 'C', Bldg # 10, Phase II, DLF Cyber City, Gurgaon-122002. Tel: 91-124-4593700, Fax: 91-124-4593799  
**Regd. Office:** 31, Sarojini Devi Road, Secunderabad – 500 003, India. Tel: 91-40-66650240, Fax: 91-40-27800947 Web: [www.atfoods.com](http://www.atfoods.com)  
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b.	Total number of Options approved under ESOS	13,18,984										
c.	Vesting requirements	<table border="0"> <tr> <td>Vesting period from the grant date</td> <td>Vesting schedule</td> </tr> <tr> <td>On completion of 12 months</td> <td>25%</td> </tr> <tr> <td>On completion of 24 months</td> <td>25%</td> </tr> <tr> <td>On completion of 36 months</td> <td>25%</td> </tr> <tr> <td>On completion of 48 months</td> <td>25%</td> </tr> </table>	Vesting period from the grant date	Vesting schedule	On completion of 12 months	25%	On completion of 24 months	25%	On completion of 36 months	25%	On completion of 48 months	25%
Vesting period from the grant date	Vesting schedule											
On completion of 12 months	25%											
On completion of 24 months	25%											
On completion of 36 months	25%											
On completion of 48 months	25%											
d.	Pricing formula Grant (26-Jul-2013)  Grant (17-Jul-2014)  Grant (24-Jul-2015)	INR 561.00 – this is the closing price on July 25, 2013 on the National Stock Exchange. NSE closing price has been considered since traded volume on this exchange was highest.  INR 597.55 – this is the closing price on July 16, 2014 on the National Stock Exchange. NSE closing price has been considered since traded volume on this exchange was highest.  INR 589.75 – this is the closing price on July 24, 2015 on the Bombay Stock Exchange. BSE closing price has been considered since traded volume on this exchange was highest.										
	Exercise Price	Grant (26-Jul-2013) INR 561.00 Grant (17-Jul-2014) INR 597.55 Grant (24-Jul-2015) INR 589.75										
e.	Maximum term of options granted	10 years from the date of Grant.										
f.	Source of shares	Purchase from Secondary market										
g.	Variation in term of options granted	There has not been any variation in the terms of options granted.										
<b>ii. Method used to account for ESOP-Intrinsic or fair value</b>												
	Calculation is based on Fair Value Method											
<b>iii. Where the Company opts for expensing the options using the intrinsic value of the Options – NA</b>												
	The difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed	<b>N.A.</b>										
	The impact of this difference	<b>N.A.</b>										



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iv. Option movement during the year (For each ESOP):				
Particulars		Details		
Number of options outstanding at the beginning of the year		7,22,873		
Number of options granted during the year		Nil		
Number of options forfeited/lapsed during the year		1,850		
Number of options vested during the year		Nil		
Number of options exercised during the year		41,095		
Number of shares arising as a result of exercise of options		-		
Money realized by exercise of options, if scheme is implemented directly by the Company (in Rs)		23,553,179		
Loan repaid by the Trust during the year from exercise price received (Rs.)		21,972,840		
Number of options outstanding at the end of the year		679,928		
Number of stock exercisable at the end of the year		679,928		
v. Weighted-average exercise prices and weighted-average fair values of option				
		Weighted - average exercise price - Rs 561.00	Weighted – average exercise price - Rs 597.55	Weighted - average exercise price - Rs 589.75
a.	Weighted-average exercise prices and weighted average fair value of options whose exercise price equals the market price of the stock	326.67	334.03	293.92
b.	Weighted-average prices and weighted average fair value of options whose exercise price is less than the market price of the stock	-	-	-
c.	Weighted-average exercise prices and weighted average fair value of options whose exercise price exceeds the market price of the stock	-	-	-



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vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to		
a.	Key Managerial Personnel	During the year ended 31 March 2021 no options are granted to employees / KMP.
b.	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year.	<p><b><u>Grant (26-Jul-2013)</u></b> Sachin Gopal N Narasimha Rao Hemant Kumar Ruia * Asheesh Kumar Sharma R Gopalakrishnan *</p> <p><b><u>Grant (17-Jul-2014)</u></b> Sachin Gopal N Narasimha Rao Hemant Kumar Ruia * Asheesh Kumar Sharma</p> <p><b><u>Grant (24-Jul-2015)</u></b> Sachin Gopal N Narasimha Rao Asheesh Kumar Sharma</p>
c.	Identified employee who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	<p><b><u>Grant (26-Jul-2013)</u></b> Mr. Sachin Gopal</p>
<p><u>Note</u> *As on 31-March-21 these persons are not the employees of the Company and resigned in earlier years.</p>		

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vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information													
		Grant (26-Jul-2013)				Grant (17-Jul-2014)				Grant (24-Jul-2015)			
Vesting Option		I	II	III	IV	I	II	III	IV	I	II	III	IV
a.	The weighted - average values of share price (in Rs)	302.74	324.33	335.84	343.75	302.49	325.89	345.30	362.44	257.81	283.20	307.51	327.15
	Exercise price (in Rs)	561.00	561.00	561.00	561.00	597.55	597.55	597.55	597.55	589.75	589.75	589.75	589.75
	Expected volatility (%)	46.78	49.76	49.88	49.11	40.90	43.77	45.76	47.37	32.40	35.98	39.39	41.73
	Expected option life	5.50	6.00	6.50	7.00	5.50	6.00	6.50	7.00	5.50	6.00	6.50	7.00
	Expected dividends per share (in Rs.)	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
	the risk- free interest rate (%)	8.73	8.69	8.65	8.62	8.70	8.72	8.75	8.76	7.88	7.89	7.91	7.92
	any other inputs to the model	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
b.	The method used and the assumptions made to incorporate the effects of expected early exercise	<p><b>Expected Option Life:</b> The expected option life is assumed to be mid-way between the option vesting period and contractual term of the option. As per the scheme, the vesting of options is 25% per year and the option term is 10 years from the date of grant. Since the vesting period and contractual term of each tranche is different, the expected life for each tranche will be different. The expected option life is calculated as (Year to Vesting + Contractual Option Term)/2</p>											
c.	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	<p><b>Volatility:</b> Calculation is based on historical stock prices. Volatility was calculated using standard deviation of daily change in stock price. The historical period taken into account match the expected life of the option</p>											
d.	whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition	<p><b>Risk Free Rate:</b> Zero coupon sovereign bond yields were utilized with maturity equal to expected term of the option</p>											



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